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Role of German Arms Baffles North Atlantic Leaders

WASHINGTON—In his address to the United Nations General Assembly at Flushing Meadow on October 24 President Truman admirably summed up the current strategy of the United States in world affairs: "Until an effective system of disarmament is established, let us be clear about the task ahead. The only course the peace-loving nations can take in the present situation is to create the armaments needed to make the world secure against aggression."

Following the successes of UN forces in Korea, the bulwark against aggression which primarily interests Washington is the combining of the military strength of the United States with that of our North Atlantic allies. The Military Committee of the North Atlantic treaty and the defense ministers of the treaty countries have met separately in Washington during the past ten days and have given out vague but optimistic statements about progress toward coordination of plans. In the past, alliances developed in times of peace have often provided the allies with innumerable opportunities to quarrel. The North Atlantic nations are consciously determined not to let their alliance fall into this historic error, but a number of disagreements still prevent the formation of a firmly unified structure.

The most recent Atlantic conversations in Washington—after 15 months of exploration of the question—ended with the allies in agreement that it was militarily feasible for their European members to establish a unified force under the command of a single officer. But they do not fully agree on the nature of the unified

force. Is it to be a European army, with divisions from Italy, Norway, Britain, France and elsewhere merged as closely as are divisions from Illinois, New York, California and Louisiana in the United States Army? Or is it to be a series of sovereign national forces, collaborating as independently as the various armies under command of Marshal Foch in World War I or under General Dwight D. Eisenhower in World War II?

Organization Problems

The institutional arrangements developed since the signing of the North Atlantic pact in April 1949 encourage decentralization. Problems filter through a series of councils and committees which are aware of one another's operations but which work separately from one another. The setting up of the permanent North Atlantic Treaty Organization in London has brought into being a number of

ad hoc committees to deal with knotty problems. Responsibility for decisions has been thinly spread as a result. Strategic planning for the Atlantic area has been divided among four subgroups, for northern Europe, central western Europe, the southern area and the eastern Atlantic area. Such a sprawling institution finds it difficult to create the "integrated force" which the North Atlantic Council (composed of the foreign ministers of the allied governments) recommended on September 26.

The vagueness of the statements by the Council reflects and promotes differences among the allies. The communiqué of September 26 implied that each ally was to maintain two forces, one for national purposes and the other for participation in the integrated service. "The [integrated] force will be under a Supreme Commander who will have sufficient delegated authority to ensure that national

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units allocated to his command are organized and trained into an effective integrated force in time of peace as well as in the event of war," the announcement said. Yet the word "integration" does not define precisely the military form which the allied force should take—a firmly-knit unit or a loose combination.

Such ambiguity encourages each ally to define "integration" to suit itself. For the French government it means a real European force. On October 23 the cabinet in Paris agreed that German troops should take part in preparations for the defense of Europe provided there would be a European army through which they could be scattered in small units. Britain, however, prefers the preservation of sovereign distinctions among national military contingents. The United States has not made clear whether it is in the French or the British camp, but the American Defense Department openly disagrees with France in some other respects. Whereas the French government apparently would keep each German unit in the European army well below divisional size, the Pentagon is proposing the assignment of two German divisions to the forces under the direction of the Supreme Commander.

The United States cannot persuade France to accept the British point of view by dropping the issue of the German troops because the North Atlantic Coun-

cil agreed in September that Germany had a role in Europe's military defense. The French point of view blocks action by the Defense Committee and also dilutes German interest in remilitarization.

German Views

The common assumption of observers in Germany is that while the government of Konrad Adenauer favors the granting of arms to the nation, a sizeable section of the German population has little taste for rearmament. Dr. Kurt Schumacher, leader of the German Social Democrats, recently advocated the holding of a new parliamentary election in advance of any final governmental decision about arms. The French aggravate the situation by proposing that the Germans not only do what they do not want to do—serve in the armed forces—but do it through the most distasteful possible arrangements—serve in armed forces under foreign control in the lowest as well as the highest echelons. The German problem is further confused by the continuing inability of the Atlantic treaty governments to determine with finality what goal of military strength they are seeking. They want a German force large enough to win Soviet respect but small enough to calm French apprehensions.

Concurrent with its efforts to find a workable relationship among America's allies, the Truman Administration is en-

deavoring, more effectively than a few months ago, to persuade the world that its aim is peaceful. President Truman on October 24 said that "disarmament is the course which the United States would prefer to take" and recommended that the United Nations combine its efforts to eliminate atomic weapons and to reduce the national arsenals of conventional weapons. "Outlawing any particular kind of weapon is not enough," the President declared. Until this speech the United States had insisted at the UN that the new and the old kinds of weapons had to be considered separately. The Soviet Union three years ago proposed their common consideration, but the petition being circulated throughout the world by the "Partisans of Peace," with Soviet approval, calls not for general disarmament but only for a ban on atomic weapons.

Thus the position of the United States respecting disarmament is broader today than the present propaganda position of nations and groups friendly to the Soviet Union. The United States, of course, stands to gain more from comprehensive disarmament than from atomic control alone, because the latter would leave the U.S.S.R. possessed of stronger conventional forces than the West has. The existence of these Soviet forces impels the Atlantic allies to look now for peace through arms and alliance rather than through agreements to disarm. BLAIR BOLLES

U.S. Prestige Rising in United Nations

At the UN's fifth anniversary reception on October 24 President Truman cut into the huge two-tier butter-cream birthday cake and began handing pieces to the guests. When one of them said she thought it would be nice if every delegate could have a portion on which to sleep and make a wish, the President quickly replied that there could be only one such wish—peace in the world.

A Positive Program

In the wake of the UN's successful resistance to aggression in Korea, the United States has offered a positive program for peace through the United Nations which appears to be attracting willing support from most of the member states. This program has three salient aspects: peace through strength; food and reform; and faith in men.

Reaffirming American interest in negotiated settlements of outstanding dis-

putes and in reduction of armaments—both atomic and conventional—President Truman on October 24 told the UN that if the organization was to be effective in keeping the peace, it had "to use the collective strength of its members to curb aggression." For this reason disarmament could not be one-sided and must be "fool-proof," based on "safeguards which will insure the compliance of all nations."

The President also stated that "without progress in human welfare, the foundations of peace will be insecure." What has been unclear in previous presentations of the American technical assistance program began to emerge in recent speeches by Secretary Acheson and President Truman: American support for social, especially agrarian reform. This emphasis became even more explicit in the Bell mission's report on the Philippines, released October 28, which calls not only for increased productivity, but also for

"land redistribution," tenant security and rent reduction. United States aid—\$250 million over a five-year period—is to be conditional on fulfillment of this and other reforms.

The third aspect of American policy has been even less forthrightly stated. Its importance was underscored by the Lebanese delegate to the UN, Dr. Charles Malik, when he declared in a recent address that "the greatest task of the Western world at the present moment is . . . to articulate adequately what it ultimately stands for. The basic values of Western civilization must be brought out and proclaimed in all clarity, conviction and boldness." In his September 20 speech Secretary Acheson did affirm that "the peace the world wants must be a moral peace, so that the spirit of man may be free," and the President on October 24 declared that the foundation of the UN rested not upon "power or privilege, but

upon faith . . . the faith of men in human values." The task of placing this faith before the world in convincing form; however, has yet to be seriously tackled.

One test of the new American initiative has been the extent to which United States proposals in the UN win the assent of other members. The Acheson plan to strengthen the General Assembly obtained wholehearted support when it was adopted on October 18 by the Political Committee, 48 to 5. It is notable that in reaching agreement on the text of this resolution, the United States representative, John Foster Dulles, willingly accepted changes proposed by other delegations. This not only helped win their support but also substantially strengthened the resolution.

Pitfalls and Temptations

If the United States is to consolidate its new prestige, which has been thrust upon it largely because of Soviet intransigence, it must avoid many pitfalls. It must avoid, for example, the temptation to ride roughshod over the objections and interests of other countries. The failure to obtain Indian participation in the UN Commission for Korea and to win Indian support for the Acheson plan were considered important tactical errors at the time because of India's great influence throughout Asia. Ultimately the failure of Communist China to keep its word to

New Delhi—particularly its implied promise to refrain from invading Tibet—may induce India to join forces with the Western powers. Such a development, however, would result, not from America's power of attraction, but rather from the menacing posture assumed by the Soviet bloc of countries.

Another danger arises from policies which strike many European and Asian observers as inconsistent. The United States has insisted thus far that Peking should not be seated at Lake Success, but it co-sponsored a resolution introduced October 27 demanding revocation of the General Assembly's December 12, 1946 resolution on Spain. It is emphasized that this step would not imply "any judgment upon the domestic policy of that government." Yet the United States vigorously opposed a British move on October 21 to make "effective control and authority over" a nation's territory the chief test for UN recognition, a move opening the door for admission of Peking to the UN. The apparent use of "two weights and two measures" for situations such as this can only hinder American solidarity with other Western powers.

The speech of Warren R. Austin, American delegate to the Security Council, on October 25, supporting the reappointment of Trygve Lie as Secretary General, also produced an awkward situation. The United States argued that the continuation of Mr. Lie in office is essen-

tial to strengthen the authority of the Secretary General and to confirm the validity of the UN decisions on Korea which Mr. Lie personally endorsed. The Soviet Union, alleging that those decisions were illegal and invalid, has blackballed Mr. Lie's candidacy. Mr. Austin in reply promised to thwart the Soviet veto "by every means in my power." This implied threat to use a veto for the first time has been sharply criticized as not only unnecessary but also as contrary to the American campaign against Russia's use of the veto power. Although Mr. Austin has not had to carry out his threat, the incident has aroused anxiety in UN circles.

An acid test of the seriousness of American intentions to negotiate with the Russians over controversial issues—President Truman declared on October 24 that "the United States is prepared now, as always, to enter into negotiations"—may arise out of the Iraqi-Syrian resolution calling for Big Five talks on world problems which was unanimously adopted by the Assembly's Political Committee on October 21. The Soviet Union has long insisted that it would negotiate but that Washington was blocking agreement. If the United States is to retain its newly acquired prestige, it must provide convincing evidence that it is willing to take every reasonable step to insure amelioration of the sharp tensions which now threaten the peace of the world.

FRED W. RIGGS

How Far Must U.S. Go Toward Economic Mobilization?

The joy that the American people felt as victorious United Nations troops pushed toward the Yalu River in Korea was tempered by an announcement from Washington on October 26. For, effective that date, the National Production Authority imposed a ban on the construction of any new buildings intended for "amusement, recreational or entertainment purposes." The NPA intimated that future orders would curtail the output of various consumer goods, including automobiles, radios, television sets and washing machines.

These actual and proposed regulations are the most severe of a series of such measures designed to mobilize the economy for a possible military showdown with the Soviet Union.

W. Stuart Symington, chairman of the National Security Resources Board, is emerging as the top man in the economic

sphere. According to the *Wall Street Journal* of October 26, Symington is the man behind many recent mobilization edicts. It was Symington who resolved the first major internal dispute on mobilization policy by dividing responsibility between the Department of Commerce and the Department of the Interior for the control of various metals.

New Agencies

Of the new agencies the most important are the Economic Stabilization Agency, the National Production Authority and the Office of Defense Manpower. The ESA, headed by Alan Valentine, is charged with the responsibility for keeping a stable relationship between wages and prices and preventing the occurrence of the familiar inflationary spiral. Despite the fact that national income is running at an all-time high and despite the fact

that the panic buying and price rises of late June and early July definitely tapered off, Dr. Valentine, when he was sworn in on October 17, remarked that this country's economy was "close to danger, if not already there." The course of the forthcoming labor management negotiations in the steel industry may well reveal future government policy.

The NPA, headed by William Harrison, issued its first order on September 18. This edict limited commercial stockpiling of 32 important war materials and sought to force manufacturers to settle on a "practicable minimum working inventory." On October 3 the NPA set up the priority system known as DO. A DO is a defense order, and the requests of the Department of Defense and the Atomic Energy Commission have the highest rating.

The Office of Defense Manpower,

headed by Robert C. Goodwin, was set up by Secretary of Labor Maurice Tobin on September 20 to see that industrial manpower losses to the armed forces do not result in labor "bottlenecks." Critical shortages have already arisen in the categories of tool designers, machinists, and tool and die makers. The ODM has drawn up plans to fill these gaps by bolstering the total labor force with women and older workers.

Both the Treasury Department and the Federal Reserve Board have played an important role in the mobilization to date. The Treasury feels that the tax increase voted on September 22 may have to be hiked still further. The September bill raised personal income taxes by 17 per cent, on an average. Corporate taxes were up 15 per cent and excise taxes—prior to June 25 a reduction or repeal of many excise taxes was considered imminent—were maintained. It remains to be seen if the much talked about excess profits tax is to be requested when Congress next convenes.

The Federal Reserve Board has reinstituted its famous Regulation W, which specified minimum down payments and maximum time periods for credit purchases. Originally reinvoked on September 18, it was tightened further on October 16, placing goods costing as little as \$50 within its scope.

In August the Board, in leading cities, increased the rediscount rate from $1\frac{1}{2}$ to $1\frac{3}{4}$ per cent, thereby making credit dearer and more difficult to obtain. The Board has always favored a strong anti-inflation policy and points to the \$20 billion of consumer credit outstanding as proof that the time for effective action is now. The Board may raise the reserve requirements of member banks and thereby prevent approximately \$2.5 billion from flowing into the credit market. It is very doubtful, however, if the dictates of economic mobilization can make the Treasury and Federal Reserve Board see eye to eye on fiscal policy. Since the Treasury is charged with handling the national debt, it tends to favor an easy money policy to reduce the cost of servicing the debt.

Amidst the welter of new and existing agencies the President's Council of Eco-

Branch and Affiliate Meetings

- DETROIT, November 7, *The Place of American Power in World Affairs*, Col. S. L. A. Marshall
MILWAUKEE, November 8, *Beyond the Battlelines in the Far East*, Albert F. Houghton Jr., W. B. O'Connor
BOSTON, November 9, *Can We Win the Struggle for Men's Minds?*, Robert Dexter, Wyman Holmes
DETROIT, November 9, *Russia and the West*, Andrei Lobanov-Rostovsky
DETROIT, November 14, *Behind the Fog in Asia*, George Shepherd
ELMIRA, November 14, *American Foreign Policy in the Far East*, Dexter Perkins
ALBANY, November 15, *This Crucial United Nations Year*, Chester S. Williams
WORCESTER, November 15, *A New India in a New World*, M. S. Sundaram, Charles Fawcett
BOSTON, November 16, *Is Democracy Possible in Indo-China?*, Jacques May, James Grant
NEW YORK, November 16, *Prospects in the Balkans*, Raoul Aglion
HARTFORD, November 17, *Why There Is a Cold War*, Joseph Harsch
NEW YORK, November 18, *Psychological Warfare and Propaganda*, Student Forum
PROVIDENCE, November 18, *Great Power Strategy in the Far East*, Sevellon Brown III
ST. PAUL, November 18, *India*, Ambassador V. L. Pandit.

nomic Advisers is almost without function. Never assigned any clearly defined responsibility by the Employment Act of 1946, the Council remains comparatively ineffectual.

Mobilization for What?

While agencies and directives are available to control every aspect of national economic life the urgent need is for an over-all statement of mobilization policy. Is this country instituting a war economy now? Will the American people be called upon to make the same sacrifices they made during World War II? Was the control machinery set in motion when it seemed as if the Korean crisis might detonate another world war and will the controls be relaxed now that the tension has been reduced? Or, are we entering a new era of the semicontrolled economy where the dominant theme is perpetual preparedness for war—with the resultant curbs on our standard of living that such a policy entails? Have we foresaken a significant Point Four program in order to provide increasing quantities of tanks, guns and planes?

These questions must be discussed at length. The history of World War II

News in the Making

AMERICAN AID FOR TITO: Marshal Tito brought hope and encouragement to the people of Yugoslavia when he revealed, in a speech on October 29, that the United States was giving favorable consideration to his request for economic aid to combat a winter famine made imminent by the recent drought. Extolling the democratic creditor policies of the United States, Tito assured his country that American aid would be unconditional.

PLIGHT OF ARAB REFUGEES: In its report to the General Assembly on October 26, the UN Relief and Works Agency for Palestine Refugees asked for \$55 million to extend its work until June 30, 1952, noting that the continuation in poverty and uncertainty of more than 800,000 refugees was "a serious threat to the peace and stability of the Near East countries." The refugees have been told and apparently believe that the Western world and the UN are responsible for their plight.

FOREIGN CURRENCIES STIFFEN: Recent international financial statistics provide additional confirmation that the currency devaluations of September 1949 have been accompanied by a lessening of the dollar gap. In the 13 months since devaluation, foreign countries have added more than \$1.5 billion to their gold or dollar reserves. Although these gains would not have been possible without extraordinary American financial aid—such as the Marshall plan—they represent a hopeful trend that augurs well for expanded and balanced world trade.

shows that the willingness and ability of any nation to mobilize its resources effectively for defense depends upon the level of understanding its citizens have of the issues involved in international relations. The people who run the American economic machine, both labor and capital, have shown their almost superhuman productive capacities on past occasions. Given a grasp of policy needs, there is no reason to believe they will be found wanting.

HOWARD C. GARY